

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Financial Statements

For the Year Ended 31 December 2019

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Contents

For the Year Ended 31 December 2019

	Page
Financial Statements	
Directors' Report	1
Auditor's Independence Declaration	2
Statement of Profit or Loss and Other Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Responsible Persons' Declaration	20
Independent Audit Report	21
Detailed Profit and Loss Statement	23

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Directors' Report

31 December 2019

General information

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Resigned
Dr Ben Kremer	Chair	appointed 5 May 2019
Anna Davis	Deputy Chair	
Ms Debra Smith	Chair	resigned 5 May 2019
Dr Gunilla Burrowes	Member	
Dr Mark Toner	Member	resigned 5 May 2019
Associate Professor Keturah Whitford	Members	
Dr Nick Hagan	Member	
Associate Professor Paul Andon	Treasurer	
Michelle Tea	Member	appointed 22 August 2019

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activities of the Association during the financial year were:

- foster and promote Australian participation in the International Biology, Chemistry, Physics and Earth and Environmental Science Olympiads;
- organise Australian Science Olympiad Competition;
- run the Big Science Competition for students in Years 7 to 10;
- engage in other activities designed to encourage science excellence in secondary education; and
- co-ordinate and send the Australian delegation to the Asian Science Camp.
- present Curious Minds – girls in STEM program in partnership with the Australian Mathematics Trust

Significant changes

No significant change in the nature of these activities occurred during the year.

Operating result

The profit of the Association for the financial year amounted to \$ 407,411(2018: \$ 162,404).

Signed in accordance with a resolution of the Board of Directors:

Director:

Director:

Dated this day of 2020

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not For Profits Commission Act 2012 to the Board of Australian Science Innovations Incorporated

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2019, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Vincents Audit Pty Ltd

**Phillip W Miller CA
Director**

Dated in Canberra on:

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2019

	Note	2019 \$	2018 \$
Revenue	5	2,690,325	1,609,171
Other income		352,084	255,183
Employee Benefits Expenses		(805,922)	(765,533)
Depreciation and amortisation expense		(8,826)	(14,267)
Consulting Fees		(259,923)	(227,008)
Travel and Accommodation Expenses		(695,484)	(365,770)
Other expenses		(864,843)	(325,396)
Loss on disposal of assets		-	(3,976)
Profit/(loss) for the year		407,411	162,404

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Statement of Financial Position

31 December 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	2,104,940	2,780,891
Trade and other receivables	8	96,899	39,222
Other assets	9	52,133	116,689
TOTAL CURRENT ASSETS		2,253,972	2,936,802
NON-CURRENT ASSETS			
Property, plant and equipment	10	5,599	8,209
Intangible assets	11	15,255	13,097
TOTAL NON-CURRENT ASSETS		20,854	21,306
TOTAL ASSETS		2,274,826	2,958,108
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	114,058	141,197
Provisions	13	88,792	74,842
Other liabilities	14	598,772	1,676,276
TOTAL CURRENT LIABILITIES		801,622	1,892,315
NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		801,622	1,892,315
NET ASSETS		1,473,204	1,065,793
EQUITY			
Retained earnings		1,473,204	1,065,793
TOTAL EQUITY		1,473,204	1,065,793

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Statement of Changes in Equity For the Year Ended 31 December 2019

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2019	1,065,793	1,065,793
Profit /(Loss) attributable to members	407,411	407,411
Balance at 31 December 2019	<u>1,473,204</u>	<u>1,473,204</u>

2018

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2018	903,389	903,389
Profit /(Loss) attributable to members	162,404	162,404
Balance at 31 December 2018	<u>1,065,793</u>	<u>1,065,793</u>

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Statement of Cash Flows

For the Year Ended 31 December 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and government grants	2,061,269	2,728,948
Payments to suppliers and employees	(2,761,684)	(1,975,658)
Interest received	40,122	29,090
Lease payments for leases of low-value assets	(1,417)	-
Lease payments from short-term leases	(5,867)	-
Net cash provided by/(used in) operating activities	(667,577)	782,380
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(8,374)	(11,955)
Net cash used by investing activities	(8,374)	(11,955)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash used by financing activities	-	-
Net increase/(decrease) in cash and cash equivalents held	(675,951)	770,425
Cash and cash equivalents at beginning of year	2,780,891	2,010,466
Cash and cash equivalents at end of financial year	7 2,104,940	2,780,891

The accompanying notes form part of these financial statements.

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Notes to the Financial Statements

For the Year Ended 31 December 2019

The financial report covers Australian Science Innovations Incorporated as an individual entity. Australian Science Innovations Incorporated is a not-for-profit Association, registered and domiciled in Australia.

The functional and presentation currency of Australian Science Innovations Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

2 New accounting standards and interpretations adopted

Revenue from Contracts with Customers - Adoption of AASB 15

The Association has adopted AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 January 2019.

The Association has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 January 2019.

There was no impact of adopting AASB 15 on the Association's financial statements for the year ended 31 Dec 2019.

Leases - Adoption of AASB 16

The Association has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 January 2019 and therefore the comparative information for the year ended 31 December 2018 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations. The association elected to use the temporary exemption for not-for-profit entities from the requirement to fair-value the right of use assets from peppercorn lease contracts.

Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

Association as a lessee

Under AASB 117, the Association assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Association or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Association has elected to use the exception to lease accounting for both short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight-line basis.

Notes to the Financial Statements

For the Year Ended 31 December 2019

3 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Leases

For comparative year

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

For current year

At inception of a contract, the Association assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Association has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Association has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Exceptions to lease accounting

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Notes to the Financial Statements

For the Year Ended 31 December 2019

3 Summary of Significant Accounting Policies

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest revenue

Interest is recognised using the effective interest method.

Grant revenue

Project (reciprocal) grants are recognised as revenue to the extent that the monies have been applied in accordance with the conditions of the grant. Grant funds received prior to year-end but unexpended as that date are recognised as grant in advance (liabilities).

Operating (non-reciprocal) grants are brought to account as income at the commencement of the grant period. Operating grant funds received to the applicable grant funding period are recognised as grants in advance (liabilities).

Other income

All other sources of income are brought to account as income when the related goods or services have been provided and the income earned.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the entity, commencing when the asset is ready for use.

Notes to the Financial Statements

For the Year Ended 31 December 2019

3 Summary of Significant Accounting Policies

(e) Property, plant and equipment

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	50%
Furniture, Fixtures and Fittings	10% - 50%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

For current year

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Notes to the Financial Statements

For the Year Ended 31 December 2019

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held)

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Notes to the Financial Statements

For the Year Ended 31 December 2019

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, bank and other loans and lease liabilities.

(g) Intangible Assets

Amortisation

Amortisation is recognised in profit or loss on a reducing balance basis, from the date that they are available for use. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Notes to the Financial Statements

For the Year Ended 31 December 2019

3 Summary of Significant Accounting Policies

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(i) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

4 Critical Accounting Estimates and Judgements

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Notes to the Financial Statements

For the Year Ended 31 December 2019

5 Revenue and Other Income

Revenue from continuing operations

	2019	2018
	\$	\$
- Sponsorship	739,995	739,992
- Interest received	40,122	43,337
- C Minds, students, sponsor	75,880	48,619
- Income APHO	1,234,346	200,004
- Big Science Competition (ASI)	272,223	284,077
- Aus Science Olympiad competition	327,759	293,142
	2,690,325	1,609,171

6 Result for the Year

The result for the year was derived after crediting the following items:

Employee Benefits Expenses	805,922	765,533
Depreciation and amortisation expenses	8,826	14,267
Consulting Fees	259,923	227,008
Travel and Accommodation Expenses	695,484	365,770
Net loss on disposal of property, plant and equipment	-	3,976
Doubtful debt	1,846	7,168
Office rental	5,867	8,614

7 Cash and Cash Equivalents

Cash on hand	-	77
Bank balances	279,761	580,814
Short-term deposits	1,824,258	2,200,000
Cash advances	921	-
	2,104,940	2,780,891

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Notes to the Financial Statements

For the Year Ended 31 December 2019

8 Trade and Other Receivables

	2019	2018
	\$	\$
CURRENT		
Trade receivables	54,389	27,973
GST receivable	42,510	18,417
Provision for doubtful debts	-	(7,168)
	<u>96,899</u>	<u>39,222</u>

(a) Provision for doubtful debts

Reconciliation of changes in the provision for impairment of receivables is as follows:

	2019	2018
	\$	\$
Balance at beginning of the year (calculated in accordance with AASB 139)	(7,168)	(20,647)
Amount restated through opening retained earnings on adoption of AASB 9	-	-
Opening impairment allowance calculated under AASB 9	(7,168)	(20,647)
Additional impairment loss recognised	(1,846)	-
Amounts written off as uncollectible		
Directly to P&L	-	(7,168)
Movement through provision	9,014	20,647
Balance at end of the year	-	(7,168)

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statement.

9 Other Assets

CURRENT		
Prepayments	44,953	102,221
Other Current Assets	7,180	14,468
	<u>52,133</u>	<u>116,689</u>

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Notes to the Financial Statements

For the Year Ended 31 December 2019

10 Property, plant and equipment

PLANT AND EQUIPMENT

	2019	2018
	\$	\$
Plant and equipment		
At cost	12,184	11,207
Accumulated depreciation	(9,019)	(5,862)
Total plant and equipment	3,165	5,345
Furniture, fixtures and fittings		
At cost	4,782	4,782
Accumulated depreciation	(2,348)	(1,918)
Total furniture, fixtures and fittings	2,434	2,864
Total property, plant and equipment	5,599	8,209

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Furniture, Fixtures and Fittings	Total
	\$	\$	\$
Year ended 31 December 2019			
Balance at the beginning of year	5,345	2,864	8,209
Additions	977	-	977
Depreciation expense	(3,157)	(430)	(3,587)
Balance at the end of the year	3,165	2,434	5,599

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Notes to the Financial Statements

For the Year Ended 31 December 2019

11 Intangible Assets

	2019	2018
	\$	\$
Website		
At cost	57,799	50,402
Accumulated amortisation and impairment	(42,544)	(37,305)
Net carrying value	15,255	13,097

(a) Movements in carrying amounts of intangible assets

	Website	Total
	\$	\$
Year ended 31 December 2019		
Balance at the beginning of the year	13,097	13,097
Additions	7,397	7,397
Amortisation	(5,239)	(5,239)
Closing value at 31 December 2019	15,255	15,255

12 Trade and Other Payables

	2019	2018
	\$	\$
CURRENT		
Trade payables	34,517	84,511
Other payables	79,541	56,686
	114,058	141,197

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

13 Provision

	2019	2018
	\$	\$
CURRENT		
Provision for annual leave	33,230	26,624
Provision for long service leave	55,562	48,218
	88,792	74,842

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Notes to the Financial Statements

For the Year Ended 31 December 2019

14 Other Liabilities

	2019	2018
	\$	\$
CURRENT		
Amounts received in advance	<u>598,772</u>	1,676,276
	<u>598,772</u>	<u>1,676,276</u>

15 Leasing Commitments

Minimum lease payments under non-cancellable operating leases:

- not later than one year	10,000	10,000
- between one year and five years	<u>2,900</u>	12,333
	<u>12,900</u>	<u>22,333</u>

Lease commitments include a photocopier lease with a 5 year term, and the lease of the current premises expiring in December 2020.

16 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Association is \$140,000 to \$150,000. (2018 remuneration paid to key management personnel of the association is \$140,000 to \$150,000)

17 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 31 December 2019 (31 December 2018:None).

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Notes to the Financial Statements

For the Year Ended 31 December 2019

18 Related Parties

The Association's main related parties are as follows:

Key management personnel - refer to note 16

Dr Gunilla Burrowes

Dr Nick Hagan

Ms Debra Smith

Dr Mark Toner

Associate Professor Keturah Whitford

Ben Kremer

Anna Davis

Michelle Tea

Associate Professor Paul Audon

Board members are not remunerated.

19 Events after the end of the Reporting Period

The financial report was authorised for issue on the date of signing by those charged with governance.

Because of bush fires, hailstorm and now COVID-19, it has significantly impacted the Association's operations and financial viability for the financial year 2020.

20 Statutory Information

The registered office and principal place of business of the association is:

Australian Science Innovations Incorporated
Oliphant Building 60 Mills Road
Australian National University
Canberra ACT 2600

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person

Responsible person

Dated this day of 2020

Independent Audit Report to the Members of Australian Science Innovations Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Science Innovations Incorporated (the registered entity), which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the financial report of Australian Science Innovations Incorporated has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 31 December 2019 and of its financial performance for the year ended; and
- (ii) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Responsible Entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

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Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Vincent's Audit Pty Ltd

Phillip Miller
Director

Canberra,

Australian Science Innovations Incorporated

ABN: 81 731 558 309

For the Year Ended 31 December 2019

Disclaimer

The additional financial data presented on page 24-25 is in accordance with the books and records of the Association which have been subjected to the auditing procedures applied in our statutory audit of the Association for the year ended 31 December 2019. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Australian Science Innovations Incorporated) in respect of such data, including any errors or omissions therein however caused.

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Phillip W Miller CA

Director

Vincent's Audit Pty Ltd

Australian Science Innovations Incorporated

ABN: 81 731 558 309

For the Year Ended 31 December 2019

Profit and Loss Account

	2019	2018
	\$	\$
Income		
Interest income	40,122	43,337
Member subscriptions	739,995	739,992
Sponsorship and donations	75,880	48,619
Big Science Competition (ASI)	272,223	284,077
Aus Science Olympiad competition	327,759	293,142
Other revenue	1,234,346	200,004
Other income	352,084	255,183
Total income	3,042,409	1,864,354
Less: Expenses		
Accounting and audit fees	3,213	8,156
Advertising and marketing	80,247	64,577
Bad debts	1,846	7,168
Bank charges	2,947	4,306
Depreciation	8,826	14,267
Entertainment	801	1,280
Facilities and materials expenses	2,466	3,404
Insurance	8,050	20,424
Annual leave provision	6,606	(8,156)
Long service leave	7,344	30,279
Recruitment costs	-	330
Photocopier lease expenses	1,417	2,000
Postage	371	1,635
Printing and distribution	55,271	60,092
Registration fees	19,514	15,837
Rental outgoings	5,867	8,614
Repairs and maintenance	2,766	5,345
Other expenses	13,081	17,586
Catering and venue hire expenses	298	642
Wages	736,266	683,863
Student assistance - waiver	16,000	9,400
Staff training	5,199	7,071
Staff amenities	354	278
Subscriptions	1,714	2,065
Superannuation contributions	50,507	52,146
Telephone and fax	1,675	2,958
Fringe benefits tax	77	693
Uniforms	7,154	9,012
Website	1,594	2,520
Consulting fees	259,923	227,008
Travel and accommodation expenses	695,484	365,770
Loss on disposal of assets	-	3,976
APHO costs	638,120	77,404
Total Expenses	2,634,998	1,701,950

Australian Science Innovations Incorporated

ABN: 81 731 558 309

For the Year Ended 31 December 2019

Profit and Loss Account

	2019	2018
	\$	\$
Total income for the year	<u>407,411</u>	<u>162,404</u>
Other items:		
Profit before income tax	<u><u>407,411</u></u>	<u><u>162,404</u></u>